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National
Home Center News
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SECOND CLASS

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TSS free-for-all

Bankruptcy makes home-center-ready stores available on Long Island

By an NHCN staff editor

NEW YORK — Builders Square is looking to expand into this area's lucrative Long Island market, where a bankruptcy has left nine mega-size stores up for grabs.

The TSS department store chain, which filed Chapter 11 last month, has already unloaded its merchandise through markdown sales.

REGIONAL REPORT

Leases on 12 former TSS locations, including Long Island sites ranging in size from 145,500 to 240,000 square feet, are scheduled to be sold at auction at the Summit Hotel in New York City Jan. 22.

The deed on another Long Island store, in Lawrence, will also be available.

Besides their unique sizes and favorable lease arrangements, the sites are desirable because of Long Island's population density and high per household income. Nassau, one of two Long Island counties, has 450,000 households and each earned an average of $67,000 in 1988.

Long Island's steady population rise has also made commercial building permits hard to come by, turning existing buildings into a commodity.

Builders Square ceo Glen Mielke confirmed that the 141-store chain, through its parent, the Troy, Michigan-based K mart Corporation, is looking at the TSS sites.

"It would be a good place for us to be," said Mielke of Long Island. "We've seen the [available] stores and we're very much interested."

Would facilitate growth plan

Based in San Antonio, Texas, Builders Square has a smattering of stores in New Jersey, Pennsylvania, Massachusetts and Connecticut, but has thusfar steered clear of the New York market.

The chain plans 10-15 store openings this year, and 15-20 in each of the following five years. Mielke said he wants to

(Continued on page 9)

The 'New' Rickel

Ailing chain drops commodities in favor of decor in new prototype

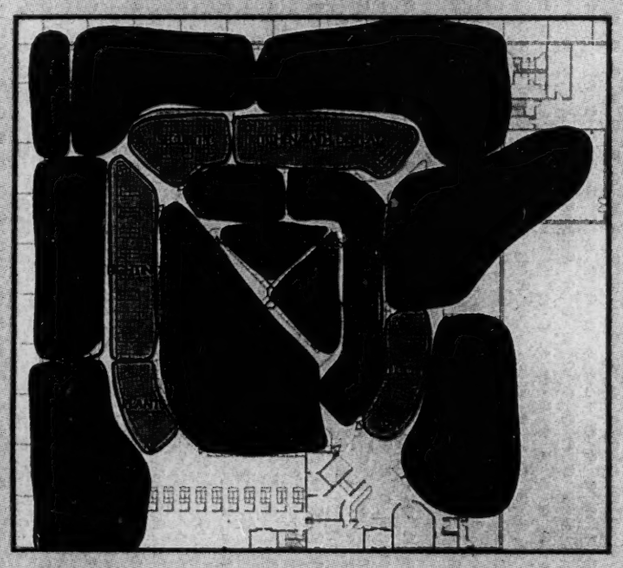
By Tim O'Malley

SOUTH PLAINFIELD, N.J. — The troubled Rickel Home Center chain intends to shift its focus from home improvement to home decor.

The company plans to unveil a prototype in a new, 67,000-square-foot store at the Indian Head Shopping Plaza in Toms River, N.J.

The store, which was completed in November prior to the prototype idea being fully developed, is being redesigned and is slated to open in March.

Dubbed "HoM by Rickel," the prototype has been described by people familiar with the concept as a hybrid of Conran's and Ikea, the home decorating and furniture chains.



Plans for the HoM prototype interior and exterior (below), being built in Tom's River, N.J.

Based on the floor plan—which was made available to *NHCH* from Retail Planning Associates, which designed the prototype—there is a virtual elimination of building materials and a heavy emphasis on housewares, kitchen and bath and associated products.

NHCN has also learned that Rickel's new management team, which has been assembled over the past six months, is in line to acquire the company from its parent, Supermarkets General Corp., within the next three years.

"When you're in a turnaround situation, as we are with Rickel now, that's an understood possibility," stated Robert Harrow, Rickel's 61-year-old ceo, who left the Grossman's chain to join Rickel this past August.

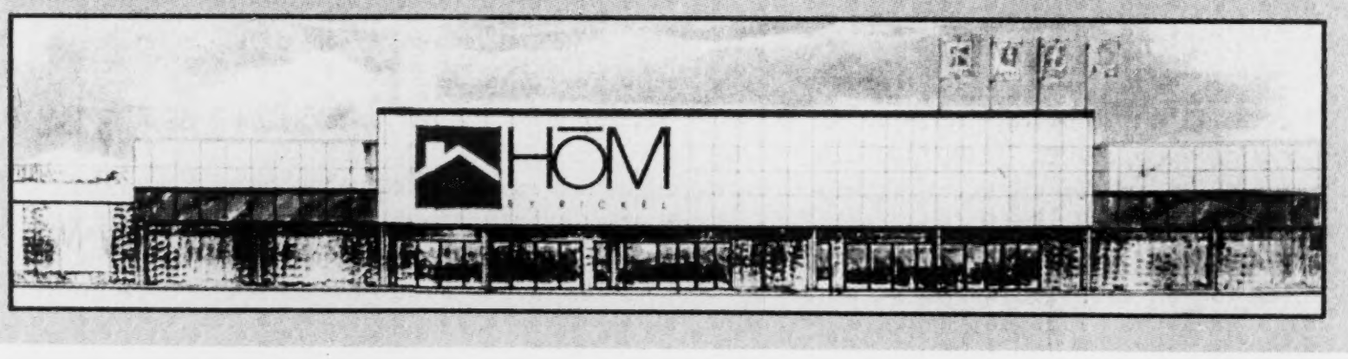
The new store concept will be distinguished from existing Rickel stores by brighter lighting and signage and a racetrack floor design.

On the perimeter of the racetrack, theme areas—each with consistent products—are planned.

'Department store' look

Its merchandise will be focused heavily on home furnishings, including storage prod

(Continued on page 59)



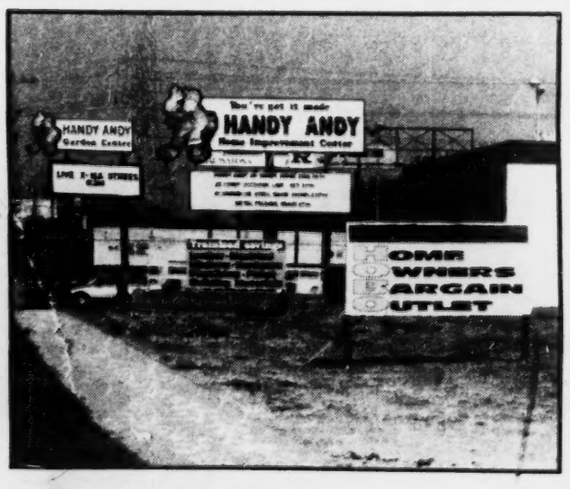
Handy Andy enters closeout market

By Gary S. Ruderman

MILWAUKEE — The concept of a retail store exclusively for closed out home improvement merchandise has arrived in the Midwest.

A short walk across the parking lot of a Handy Andy Home Improvement Center in western Milwaukee is a cornucopia of products and names from around the industry in a new store called Home Owners Bargain Outlet (HOBO).

The HOBO venture, started by the Illinois-based Handy Andy Nov. 20, occupies most of a 45,000-square-foot industrial building. Seen on a recent visit were vanities made for Orchard Supply Hardware; kitchen cabinets from Payless Cashways' stores in the West and Midwest; paint brushes from Coast-to-Coast and Zayre stores, and lighting from Payless, Home



Handy Andy's HOBO store is located next to one of its traditional units. NHCN photo

(Continued on page 59)

New England prepares to battle troubled economy, competition

By Elizabeth Brent

REGIONAL REPORT — New England dealers are steeling themselves for an even leaner and meaner 1990.

The abruptness and severity of the current downturn took many dealers by surprise. And riding out the sluggish market in 1990 will be even harder with the arrival of two major players, Home Quarters Warehouse and The Home Depot.

HQ is slated to open four of its possible 15 units in the Boston area next spring.

"We have committed ourselves to that market with between five and 10 stores there by 1992," noted Bernie Marcus, chairman and ceo of The Home Depot, which is seeking sites in Rhode Island, Massachusetts and southern New Hampshire.

The arrival of the power retailers will exacerbate the problems of the economy. The contractor-oriented yards have been the hardest hit with sales decreases of over 20 percent from last year, and few anticipate any improvement in 1990.

Grossman's, the Braintree Mass., retailer, reported only a 0.4 per cent growth in comparative store sales for the month of November compared with last year, and cited the

(Continued on page 61)

Central takes on remodeling plan with help of new parent

By an NHCN staff editor

ST. LOUIS — Central Hardware, now under the aegis of its new owner Handy Andy, began an ambitious plan to remodel 25 of its 38 stores within the next 24 months.

James Cohen, central's president, said the remodeling began last week in older stores in St. Peters and St. Charles, Mo., suburbs of St. Louis. The project is aimed at updating older stores.

"We're going to spend a lot of money," said Cohen who would not specify how much it would cost. "We plan to position ourselves as more upscale and more exciting.

"We're going to be more project oriented versus product oriented," Cohen continued, adding there were no immediate plans to change the chain's stockkeeping unit mix.

Central, once owned by St. Louis conglomerate Interco, Inc., was stymied in its efforts to remodel and build new stores while the parent suffered under heavy debt assumed to fight a hostile takeover last year.

Cohen said Central, acquired last year by Illinois-based Handy Andy, will take on a new look. Like its parent, Central will begin adding more point-of-purchase information and story-board headers in product aisles.

The plans call for new color schemes and traffic patterns in the stores, with a new look in promotional endcaps. ◆

Furman, Slaughter Brothers complete consolidation

By an NHCN staff editor

BILLERICA, Mass. — Furman Lumber, the $300 million lumber and building materials distributor based here, has completed the final phase of a two-year consolidation with Slaughter Brothers in Dallas, Texas.

As of Jan. 1, Slaughter Brothers took on the name Furman Lumber, according to Hawk Furman, the wholesaler's president.

Furman had acquired Slaughter Brothers in December 1987 as part of a nationwide expansion. Slaughter operates as a softwood lumber distributor in the Southeast and Southwest.

The consolidation gives Furman 11 DC's and 12 sales offices in the U.S. ◆

INDEPENDENT

'Lumber Dome' rises from Hugo's ruins

By John Sinisi

CHARLESTON, S.C. — "Houston has its Astrodome, New Orleans its Superdome . . . and now Charleston has the Lumber Dome!"

That's the way the latest ad copy reads from Buck Lumber, a local independent that, after being stricken by Hurricane Hugo, accelerated its plans to enclose its entire 35,000-square-foot drive-through lumberyard.

Owner Edgar Buck, a banker for the 10 years prior to buying the company from C. C. Rhodes in 1975, always had long-term plans to enclose the yard. He was waiting until he had sufficient capital to build it and enough manpower and time to start demolition.

Buck inherited Rhodes' arrangement of a 140x285-foot opened lot, surrounded by a collection of sheds configured in a U-shape, across a 60-foot driveway from the 4,000-square-foot retail and office complex. Five other small, pole-built structures in the yard housed special-order materials. That setup remained unchanged since Rhodes founded the company in 1948.

On September 22, the day after Hurricane Hugo struck Charleston, Eddy Buck walked to his business to find his yard virtually destroyed. All five pole-built structures were gone, sheds had either been blown away or punctured by fallen trees. Over $250,000 in building materials were lost due to water damage and battering.

"Nature took care of the demolition, and insurance took care of the capital," quips Buck. "At least the store and office remained standing." He notes that Kemper International, Buck Lumber's insurance company, paid for all the damaged material, and agreed to cover the equivalent of 60 percent of the Lumber Dome's cost.

The following Monday, Buck decided he'd commit to the long-term plan. He hired Dawson General Contractors, a local concern, to install a 130x265-foot Pascoe pre-engineered metal panel building to enclose his entire yard, at a cost of about $450,000.

"Pascoe really expedited things in light of the hurricane," says Allen Dawson, president of the commercial contracting concern. "They diverted components of a building going up in Atlanta so we could complete the Lumber Dome as quickly as possible."

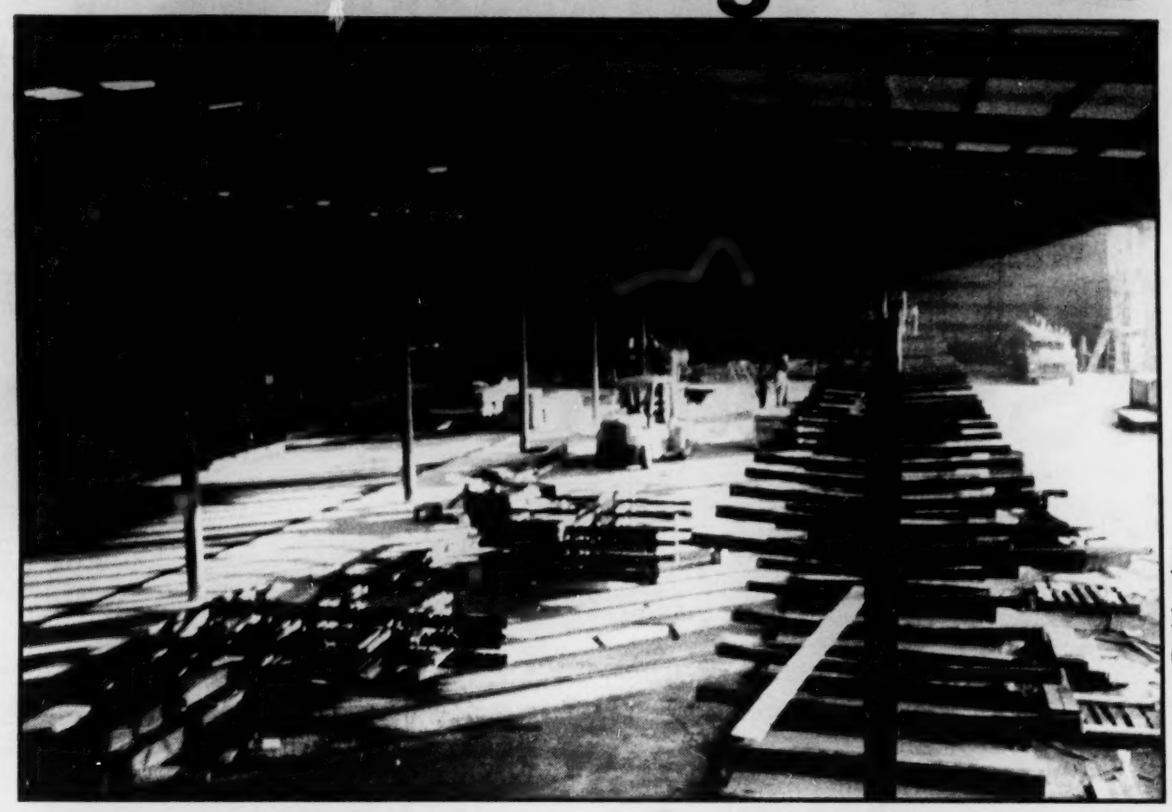


Photo courtesy Buck Lumber

Workers install racks in Buck Lumber's new enclosed yard—know as the "Lumber Dome." The new yard was in business 90 days after Hurricane Hugo destroyed the old yard.

The building went up in seven weeks. With the help of Buck's staff, Dawson spent 10 more days installing roughly $150,000 worth of solid steel A-frame, double-sided cantilever, and pallet racks, supplied by National Store Fixtures. Within 90 days of the hurricane, Buck was in business.

The finished structure is as impressive as it is unique. The front-end, with an opening big enough for two trucks to drive through, features 12-foot tall, double-sided A-frame display racks of molding, plywood and gypsum, pallet racks with metal products. Across the back wall is an eight-foot high, three-tiered display of lineal lumber.

The center of the yard features four aisles of double-sided cantilever racks of dimensional and precut lumber.

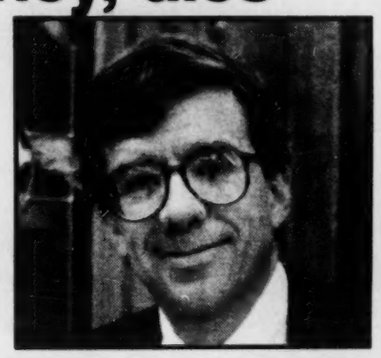
Buck's goal is to have 100 percent of his commodities inventory in the Lumber Dome. At present, nine-tenths is warehoused there; the remaining, special order material, is in a side shed.

The 1,000-square-foot retail space displays hardlines, and the town's biggest display of Andersen doors and windows.

Now that the Lumber Dome is built, an important consideration is whether it would survive a future hurricane.

Buck seems confident. "It's supposed to be able to withstand 120 mile-per-hour winds when we close up the front," he says. ◆

Former Lloyd pres., Cawley, dies



By an NHCN staff editor

NEW YORK — Tom Cawley, the former president of Lloyd Home and Building Centers, died December 20, as a result of cancer.

Cawley, 46, most recently served as merchandise manager of Rickel. He began his home center career with Hechinger, had been gmm of Peter Kuntz and had held various positions at Channel and Mr. How.

"We always maintained a friendship," said former Hechinger executive vp Phil Mansfield. "He was a warm charitable guy who had great enthusiasm and a lot of creative merchandising strength."

Cawley is survived by his wife, Rosalie, and three children. His wife requested that in lieu of flowers donations be sent to the American Cancer Society. ◆

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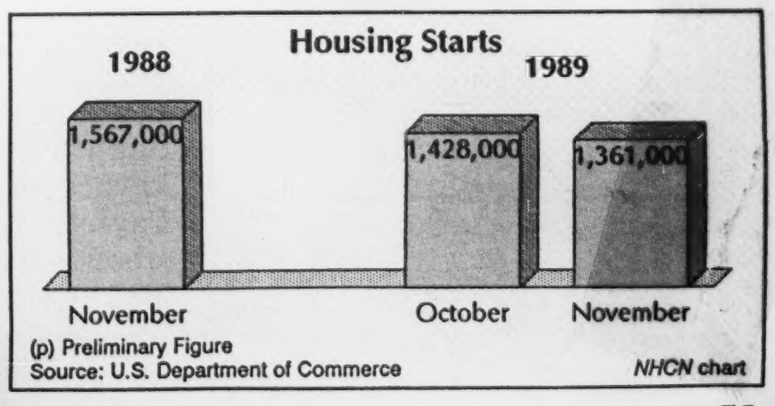


BUSINESS WATCH 51
STOCKS 52

Technology helps home centers track the success of promotions

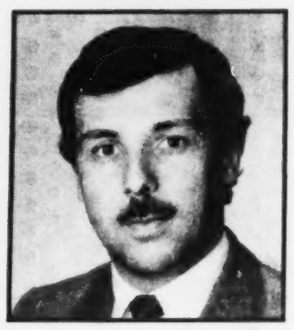
By Jay Scansaroli

When Orchard Supply Hardware wanted to promote its broad selection of insecticides last summer, it featured them in over two million circulars mailed to households in the shopping areas of its 33 stores.

The results were gratifying: Sales increases in the promoted line were close to $100,000, more than 15 percent higher than usual for the San Jose, Calif.-based chain.

More home centers like Orchard employ advances in point-of-sale technology to track the results of promotions.

POS terminals, scanners and other connecting technologies are yet to be fully exploited for their marketing potential. But most retailers realize that integrating the data gleaned from these technologies is the key to evaluating promotions and planning future ones.



Jay Scansaroli

In many cases, home centers are able to assess a week's sales promotion circular by Monday of the following week.

The most useful information garnered from a promotion such as Orchard's "Bug Busters" campaign is not always which promoted items sold well. Tracking the sales of higher-margin "add-on" items can be more telling.

Orchard spent $36,000 on radio spots, the circular and store signage to promote the "Bug Busters" campaign. Joe DiRocco, vp-marketing and advertising, explained that Orchard really benefited—at considerably higher margins—when items such as mousetraps and anti-vermin chemicals were pulled along with the insecticide sales.

DiRocco declined to disclose how much Orchard benefited from the "Bug Busters" campaign, but that's not the only point of promotions. "The effect the promotion might have on ongoing sales, the residual value, is arbitrary," he said. "You have to either take that leap of faith or not. We're prone to. If it points to positive ends at all, we will run the promotion again."

Product movement analyzed

Conklin & Strong keeps a close watch on promotions with a detailed computer analysis of product movement for each of its 16 annual circular mailings. This Warwick, N.Y.-based dealer uses its computers to track sales, gross profit, units sold and days-on-sale. Items that are not on sale are tracked as a control, so Conklin can accumulate an on-sale/off-sale comparison.

Conklin & Strong typically mails between 100,000 and 120,000 circulars for a promotion, at a cost of some $16,000. Promoted items are sold at a wide range of gross margins. Lower cost items may sell at 0 to 4 percent gross margin. An example would be light bulbs, 15 cents a piece, in a recent circular.

Conklin & Strong is further refining its POS promotion tracking. Last year it collected 1,000 customer names and addresses from each of its stores, then handed them over to a compiling house which sorted the names by carrier routes.

With this data, the chain can track product movement by route, then target future circulars to the routes with the best draw. With as many as 50 carrier routes within a single zip code—the traditional parameter for sorting mailing lists—you can see how effective this targeted marketing effort can be.

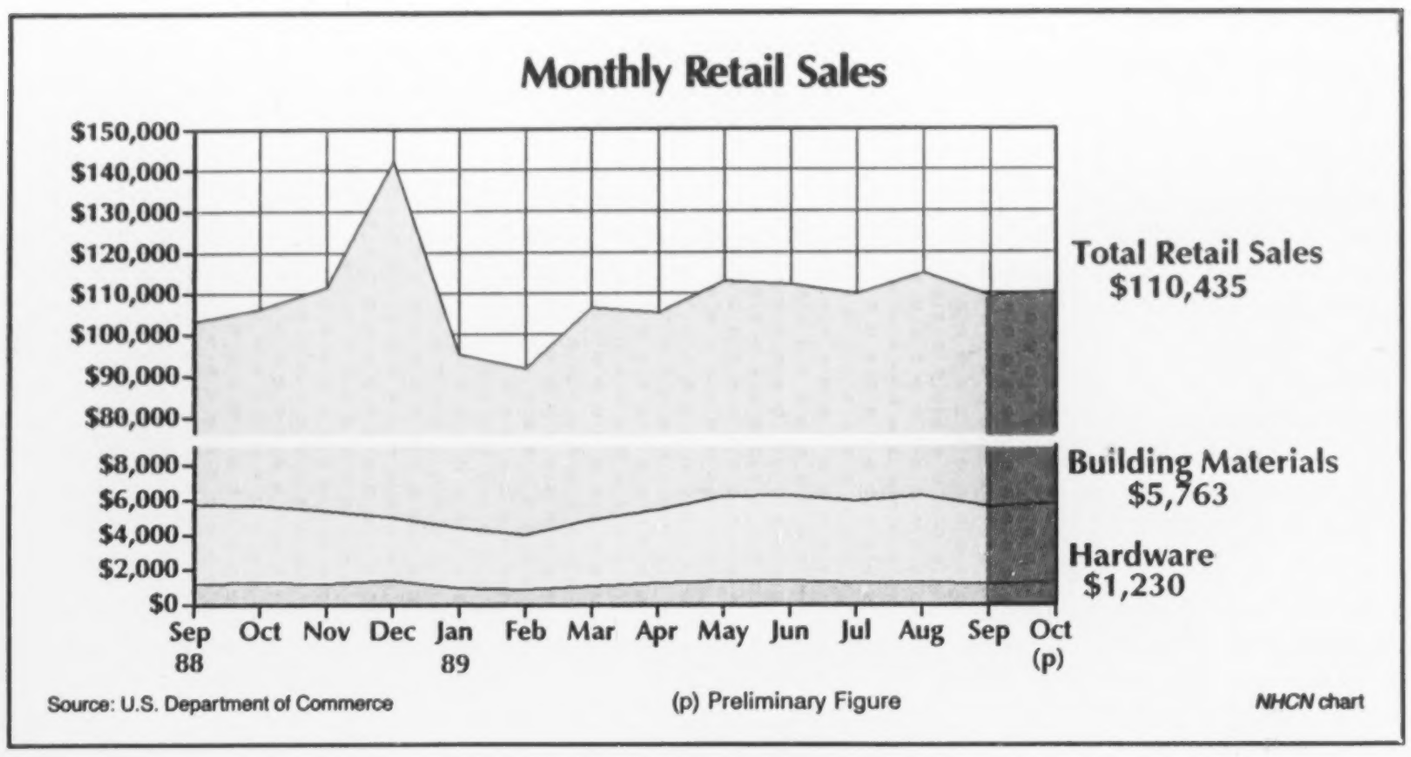
What add-ons are selling?

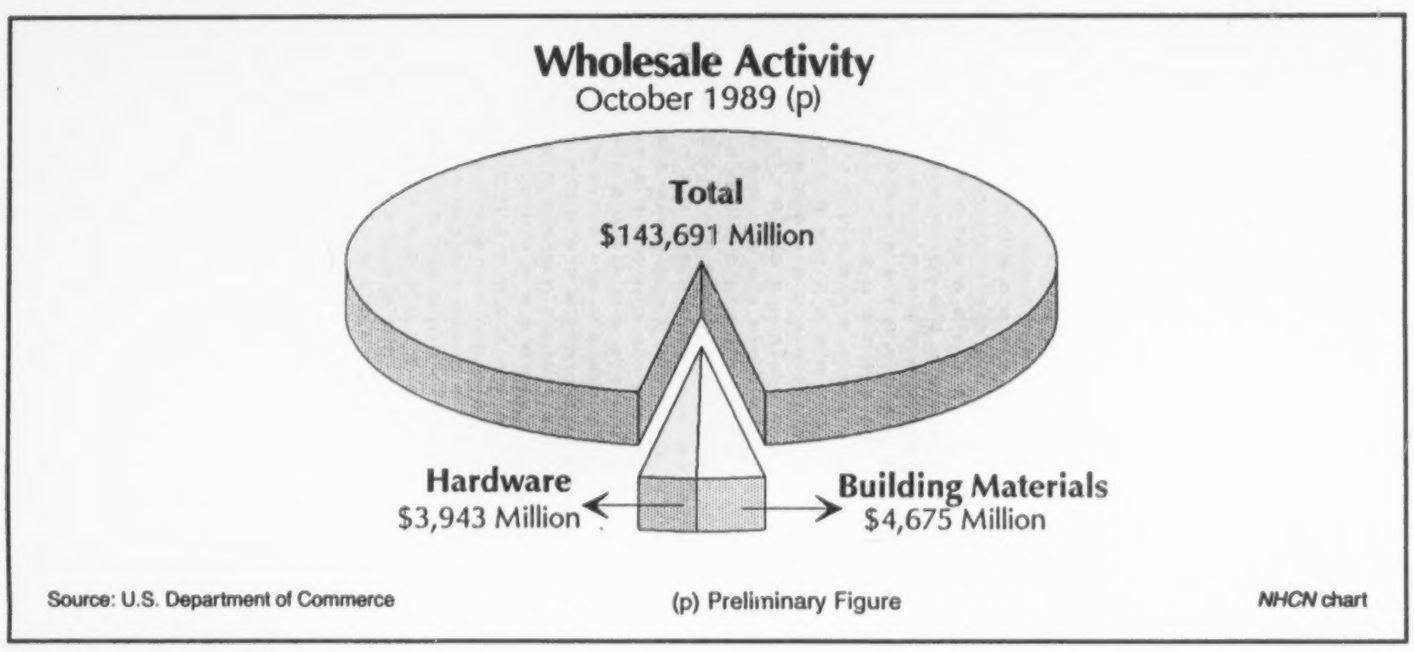
Lowe's, North Carolina-based chain, tracks merchandise during special sales, as well as the prior and following weeks.

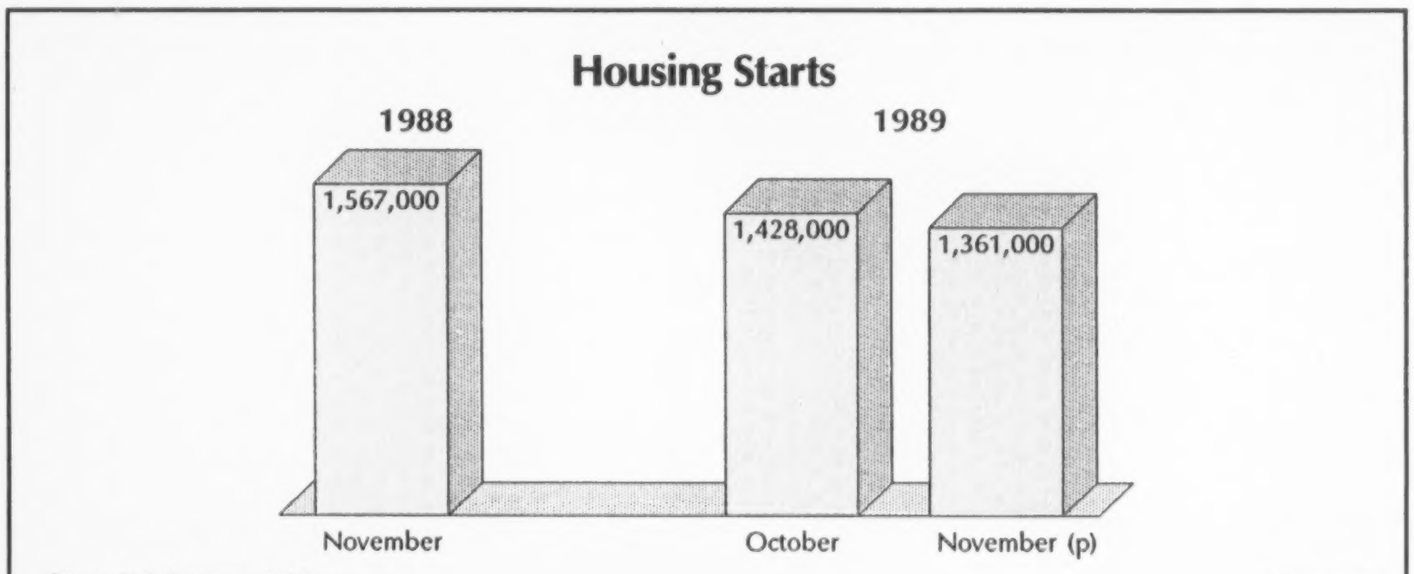
Recently, the 300-store company modified its POS software to report peripheral item sales during promotions. Wendell Emerine, executive vp-sales and store operations, describes the results as a "real eye opener."

The computer isolates "naked" items that don't pull "add-on" merchandise. Lowe's has fine-tuned its campaigns to promote products that boost volume from these items. And the chain has been pleasantly surprised by the number of add-on products that surface on sales tickets during promotions. So Lowe's store managers are beefing up in-store stock of the most popular add-ons.

—Jay Scansaroli is a partner with Arthur Andersen & Co., a New York-based accounting and market research firm.







Housing Affordability

	National Total		By Region (Oct 1989) (p)			
	OCT 1988	OCT 1989 (p)	NE	NW	S	W
Affordability Index Composite*	**112.3**	**106.1**	**76.1**	**137.5**	**107.4**	**74.1**
Median Priced Existing Home	$88,900	$92,100	$143,300	$70,900	$83,400	$142,200
Average Mortgage Rate	9.41%	10.16%	10.19%	10.24%	10.14%	9.93%
Payment as Percentage of Income	22.3%	23.6%	32.9%	18.2%	23.3%	33.7%
Median Family Income	$31,987	$33,365	$37,329	$33,511	$30,553	$35,299
Qualifying Income	$28,481	$31,456	$49,065	$24,377	$28,437	$47,637

*The affordability index is based on the five criteria listed above.

Source: National Association of Realtors
(p) Preliminary Figure
NHCN chart

Lowe's earnings escalate 27.6 percent during third quarter

By an NHCN staff editor

NORTH WILKESBORO, N.C. — Lowe's Cos. saw its earnings for the third quarter jump 27.6 percent to $20.3 million, and 13 percent to 64.8 million for the nine months ended Oct. 31, 1989.

The 299 stores it operated in this quarter did $702.7 million in sales, 7.8 percent more than the same period a year ago. For 39 weeks, Lowe's revenues rose 5 percent to $2.051 billion.

In the latest quarter, the bulk of sales gains came from its retail business, which increased 12 percent. Retail now accounts for three-fifths of Lowe's total volume. The chain's contractor business was up only 2 percent.

Sales for the 294 stores that had been opened for one year on Oct. 31 were up 6 percent.

In the latest quarter, Lowe's boosted its gross margins—calculated on a last-in, first-out basis—to 23.96 percent, compared to 23.4 percent in the comparable period in 1988.

Recently Lowe's added 158,000 square feet of new retail space by opening, on Nov. 24, a 65,000-square-foot unit in Rio Hills, Va.; relocating a store in Warner Robins, Ga.; and retrofitting units in Fort Pierce, Fla.; Paducah, Ky.; and Franklin, N.C.

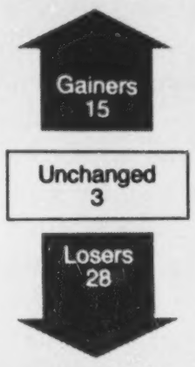
Stocks remain relatively soft

The Market has been relatively soft in recent weeks, and 27 of the 47 home improvement company stocks tracked for *NHCN* by Media General lost ground in the two weeks ended Dec. 21, 1989.

National Lumber, the California-based operator whose president, Mel Jaffee, recently unveiled major internal changes (*NHCN*, Dec. 11, 1989), saw its stock price continue to plummet, this period by 27.3 percent to $1 per share. Strober Organization, the Brooklyn, N.Y.-based operator, also took a big hit, as its stock price fell more than 20 percent to $2.88.

On the manufacturers' side, Mor-Flo Industries, the water heater supplier, ended the year as volatile as it began, and its per share price fell 14.3 percent to $4.50. USG's stock dove 12 percent to $8.38 per share.

The few gainers included Stanley Works, which announced record sales and earnings for fiscal 1989; and Hechinger, despite reported last month a deep drop in its quarterly earnings; and Grossman's, whose November comp-store sales were under 1 percent.



National Home Center News

HOME CENTER MARKET SUMMARY

Covering The Period 12/08/89 - 12/21/89

Company (Exchange)	Symbol	High	Low	Close	Change Amt	Change Pct	52-Week High	52-Week Low	Total Volume This Period	% Shrs. Outstanding	Average Daily Vol. Last 52 Week	Average Daily Vol. This Period	Last Fiscal Year	Latest 12 Months vs Preceding 12 Months Change Amt.	Change Pct	5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Indicated Dvd. Rate Amt.	Indicated Dvd. Rate Yield	Last X-Dvd. Date	Last Fiscal Year Revenue	Last Fiscal Year Earnings	Current Ratio	Last Fiscal Year (Per Share) Long Term Debt	Last Fiscal Year (Per Share) Common Stock Equity	Last Balance Sheet Date
-	-	$	$	$	$	%	$	$	(100)	%	(100)	(100)	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$	-
Retailers																											
Gen Bldg Prods (O)	GBLD	2.00	1.25	1.25	-.25	-16.67	5.00	1.25	362	.91	31	40	-.06	-.79 N	-100.0	NC	-.3	NE	.00	.0	00-00-00	79.3	-.2	4.6	5.48	4.01	1188
Grossman's Inc (O)	GROS	4.88	4.63	4.88	.13	2.63	9.75	4.38	13,779	5.27	2,308	1,531	.50	.16 N	33.3	NC	1.2	7.6	.00	.0	00-00-00	1141.6	13.2	1.8	6.15	3.88	1288
Hechinger A (O)	HECHA	12.13	11.50	11.88	.38	3.26	19.63	10.75	10,966	5.36	1,189	1,218	NA	NA	NA	NA	NA	NA	.16	1.3	10-30-89	NA	NA	NA	NA	NA	NA
Hechinger B (O)	HECHB	12.50	11.75	12.25	-.25	-2.00	19.50	11.50	444	.30	65	49	1.30	-.26 N	-21.0	11	4.8	12.5	.06	.5	10-30-89	1019.4	48.8	3.9	4.95	10.14	0189
Home Depot (N)	HD	35.88	33.38	34.63	-1.25	-3.48	38.38	19.19	17,440	2.29	2,045	1,938	1.00	.34 N	35.4	49	3.8	26.6	.12	.3	11-22-89	1999.5	76.8	1.7	1.45	5.16	0189
Interco (N)	ISS	.75	.31	.56	-.13	-18.18	3.88	.31	17,463	4.55	NC	1,940	1.53	1.53 S	NC	NC	3.5	.4	.00	.0	00-00-00	2012.0	70.1	1.6	52.47	-26.73	0289
K mart Cp (N)	KM	35.63	33.88	34.00	-.50	-1.45	44.88	32.50	44,660	2.24	6,581	4,962	4.00	.05 N	1.4	16	2.9	9.3	1.64	4.8	11-10-89	27301.0	803.0	2.0	14.78	25.13	0189
Lowe's Cos (N)	LOW	31.00	28.88	29.50	-1.13	-3.67	32.13	20.25	5,255	1.41	590	584	1.83	.33 N	19.1	4	2.7	14.3	.52	1.8	01-10-90	2516.9	69.2	2.0	5.12	15.80	0189
NHD Stores (O)	NHDI	5.50	5.00	5.00	-.13	-2.44	9.50	5.00	708	5.43	29	79	.79	-.34 N	-45.3	4	1.9	12.2	.00	.0	09-16-86	51.4	1.0	2.1	4.07	7.14	0189
Natl Lumber (O)	NTLB	1.50	1.00	1.00	-.38	-27.27	2.88	1.00	1,040	1.84	42	116	-.82	-.58 N	NE	NC	-3.0	NE	.00	.0	00-00-00	152.0	-4.6	1.2	.21	2.86	0189
Sears, Roebuck (N)	S	38.50	36.50	36.75	-1.25	-3.29	48.13	36.50	60,200	1.67	7,288	6,689	2.40	-1.23 N	-32.0	-8	1.8	14.1	2.00	5.4	11-20-89	50407.8	909.5	.0	26.15	37.75	1288
Std Brd Pnt (N)	SBP	13.50	12.25	12.25	-1.25	-9.26	19.38	12.25	1,218	2.13	299	135	.37	1.00 N	NE	-27	1.2	23.6	.00	.0	08-11-87	304.4	3.7	2.8	28.85	6.65	0189
Strober Organiz (O)	STRB	3.75	2.88	2.88	-.75	-20.69	9.50	2.88	959	1.58	64	107	.64	-.59 N	-80.8	-10	2.8	20.5	.00	.0	00-00-00	140.4	3.9	1.7	1.09	4.93	1288
Wolohan Lumber (O)	WLHN	17.75	16.50	16.50	-1.75	-9.59	24.53	15.00	838	1.29	230	93	1.75	.07 N	4.1	42	4.3	9.2	.25	1.5	11-09-89	257.8	11.2	2.6	4.36	8.20	1288
Wholesalers																											
Hughes Supply (N)	HUG	18.63	18.13	18.38	.25	1.38	21.88	17.25	277	.58	69	31	1.99	-.15 N	-7.6	9	1.9	10.0	.36	2.0	11-06-89	501.9	9.7	3.0	15.72	18.88	0189
Moore-Handley (O)	MHCO	4.63	4.50	4.50	.00	.00	4.75	3.75	444	1.96	20	49	-.17	-.18 N	NE	NC	-.5	NE	.20	4.4	10-03-88	99.7	-.5	2.0	3.18	5.98	1288
Manufacturers																											
Am Consum Prods (O)	ACPI	8.00	7.00	7.00	.00	.00	11.00	7.00	403	1.55	32	45	.70	.10 N	14.9	NC	2.3	9.1	.00	.0	06-08-88	78.6	1.8	4.3	7.33	5.40	1288
Am Woodmark (O)	AMWD	7.50	7.13	7.13	-.38	-5.00	13.75	6.38	125	.17	53	14	1.00	-.09 S	-11.8	NC	4.7	10.6	.00	.0	05-24-88	158.1	7.5	2.3	3.65	5.41	0489
Armstrng Wrld (N)	ACK	39.13	36.63	37.13	-1.75	-4.50	50.88	33.38	11,685	2.53	2,044	1,298	3.51	.00 N	.0	16	6.1	10.6	1.06	2.9	11-06-89	2680.3	162.7	1.2	4.02	21.73	1288
Black & Decker (N)	BDK	20.88	20.00	20.25	-.13	-.61	25.25	18.13	12,165	2.07	2,798	1,352	.51	-1.14 F	-69.1	-12	.9	39.7	.40	2.0	12-04-89	3190.3	30.0	1.7	4.73	12.38	0988
Boise Cascade (N)	BCC	42.63	40.88	42.38	.88	2.11	48.00	39.25	13,782	3.37	1,508	1,531	6.34	.62 N	10.6	40	7.1	6.6	1.52	3.6	12-11-89	4094.6	289.1	1.3	20.59	37.34	1288
Catalina Lghtg (A)	LTG	11.00	9.38	10.88	.25	2.35	15.25	8.63	2,674	5.96	217	297	.41	.23 N	69.7	NC	4.1	19.4	.00	.0	00-00-00	26.9	1.1	1.6	.06	1.52	0988
Champ Intl (N)	CHA	31.00	28.88	29.50	-.88	-2.88	37.75	28.88	33,109	3.50	2,982	3,679	4.80	.34 N	7.7	NC	8.9	6.2	1.10	3.7	12-11-89	5128.5	456.4	1.4	20.00	35.05	1288
Clairson Intl (O)	CLIC	8.63	8.13	8.63	.38	4.55	8.63	2.75	1,590	3.12	206	177	-3.79	-4.34 F	-100.0	NC	-18.5	NE	.00	.0	00-00-00	104.2	-19.3	.7	.75	.06	0988
Cooper Indus (N)	CBE	38.88	36.00	37.75	.25	.67	39.13	26.69	21,016	2.06	2,163	2,335	2.21	.43 N	21.2	20	5.3	15.3	1.00	2.6	12-05-89	4258.3	224.4	1.7	11.54	17.47	1286
DeSoto Inc (N)	DSO	46.50	44.13	44.50	.13	.28	52.50	32.38	1,722	4.26	418	191	.79	-2.89 N	-100.0	NC	.8	NE	.40	.9	12-20-89	402.5	3.2	1.8	12.33	24.29	1288
Georgia Pacific (N)	GP	51.25	46.63	47.00	-3.88	-7.62	62.00	36.63	14,619	1.54	2,518	1,624	4.76	2.45 N	54.7	46	4.9	6.8	1.60	3.4	11-13-89	9509.0	467.0	1.9	26.51	27.79	1288
La Pacific (N)	LPX	42.25	41.25	41.75	.00	.00	42.63	28.00	13,980	3.75	1,066	1,553	4.02	.48 N	12.0	42	8.5	9.3	1.00	2.4	11-09-89	1799.4	153.6	3.3	9.92	30.51	1288
Macmillan Bloedel (O)	MMBLF	15.38	14.75	15.38	.50	3.36	17.88	14.38	1,850	.18	528	206	2.58	-.18 N	-7.4	NC	10.1	6.9	.20	1.3	11-13-89	2743.8	276.4	11.7	1.45	10.86	1288
Manville Cp (N)	MVL	10.00	8.50	8.63	-1.25	-12.66	10.50	6.88	4,640	1.18	745	516	.79	.79 F	NC	NC	4.7	10.9	.00	.0	00-00-00	2062.2	96.0	1.7	22.06	7.39	1288
Masco Corp (N)	MAS	25.50	24.00	24.25	-1.00	-3.96	31.13	24.00	22,615	1.45	3,339	2,513	2.10	-.23 N	-11.7	14	11.8	13.9	.52	2.1	01-08-90	2438.6	288.3	3.0	7.30	11.30	1288
Mor-Flo Inds (O)	MORF	5.13	4.50	4.50	-.75	-14.29	7.75	4.50	180	.71	16	20	-1.11	1.05 N	NE	NC	-1.3	NE	.01	.2	12-13-89	218.0	-2.8	1.8	12.85	14.08	1288
Newell Co (N)	NWL	22.00	18.25	22.00	.63	2.92	25.25	12.75	18,641	3.18	1,263	2,071	1.09	.37 N	39.4	25	6.2	16.8	.50	2.3	12-04-89	988.2	61.4	1.7	3.28	5.59	1288
Nortek Inc (N)	NTK	5.50	4.75	5.13	-.38	-6.82	9.75	4.75	3,663	2.62	256	407	.90	-1.11 N	NE	NC	1.1	NE	.10	2.0	12-22-89	1224.2	13.2	2.9	38.65	16.34	1288
Owens Corn (N)	OCF	26.13	24.00	24.13	-1.63	-6.31	36.88	22.25	6,901	1.72	1,225	767	4.71	4.36 N	NC	NC	7.0	5.5	.00	.0	00-00-00	2831.0	197.0	1.2	32.73	-15.18	1288
Ply-Gem (A)	PGI	11.13	11.00	11.00	-.13	-1.12	15.00	10.88	1,256	1.17	215	140	1.41	.03 N	3.1	11	4.1	11.0	.12	1.1	11-13-89	383.7	15.9	4.0	7.71	9.37	1288
Pope & Talbot (N)	POP	26.88	25.63	25.75	-1.00	-3.74	29.75	17.88	1,125	.95	261	125	2.68	1.05 N	41.3	NC	6.2	7.2	.60	2.3	10-24-89	515.0	31.9	1.9	6.24	13.05	1288
Potlatch Cp (N)	PCH	36.25	34.75	36.00	.38	1.05	38.63	29.50	3,858	1.34	378	429	4.04	.86 N	23.0	33	10.4	7.8	1.20	3.3	11-09-89	1084.1	112.4	2.4	13.66	24.97	1288
PPG Inds (N)	PPG	40.50	38.25	40.00	.13	.31	46.00	37.00	13,334	1.15	1,709	1,482	4.26	.02 N	.5	17	8.3	9.5	1.52	3.8	11-06-89	5638.7	467.6	1.5	8.00	20.48	1288
Rep Gypsum (N)	RGC	5.25	5.00	5.00	-.25	-4.76	5.75	4.25	1,022	1.01	63	114	.24	.01 Q	5.0	-29	5.0	23.8	.20	4.0	11-24-89	48.1	2.4	3.6	.90	3.19	0689
Sherwin-Wms (N)	SHW	34.00	31.38	33.63	.13	.37	35.75	25.00	8,268	1.92	977	919	2.30	.17 N	7.3	13	5.2	13.5	.70	2.1	11-13-89	1950.5	101.1	2.0	3.01	13.97	1288
Stanley Works (N)	SWK	39.00	36.13	38.75	2.38	6.53	39.25	27.13	4,040	.94	900	449	2.40	.35 N	15.2	9	5.4	14.6	1.08	2.8	12-04-89	1909.0	103.5	2.7	7.93	16.31	1288
Thos Inds (N)	TII	20.38	19.88	20.25	.25	1.25	20.63	17.63	363	.36	93	40	1.62	.01 N	.6	4	5.1	11.8	.76	3.8	11-27-89	347.6	17.7	2.7	3.22	12.25	1288
Union Camp (N)	UCC	37.00	35.50	36.38	-.25	-.68	41.38	33.50	24,345	3.54	1,677	2,705	4.25	.67 N	17.1	20	11.1	7.9	1.48	4.1	11-28-89	2660.9	295.2	2.4	9.13	22.66	1288
USG (N)	USG	5.63	4.00	4.50	-.63	-12.20	7.38	2.88	19,321	3.57	1,413	2,147	2.38	-.75 N	-39.1	NC	5.6	3.8	.00	.0	00-00-00	2248.0	125.5	1.0	44.18	-27.26	1288
Waxman Inds (N)	WAX	9.00	8.25	8.38	-.25	-2.90	11.00	7.00	467	.51	246	52	.80	.09 Q	12.0	16	3.0	10.0	.12	1.4	12-04-89	241.4	7.3	2.5	21.17	2.94	0689
Weyerhaeuser (N)	WY	27.38	25.88	26.13	-1.00	-3.69	32.75	24.50	34,399	1.68	4,474	3,822	2.68	.38 N	14.8	28	5.6	8.9	1.20	4.6	10-23-89	10013.9	564.4	.0	16.55	19.86	1288

All Data are based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting period
3 mos.—First quarter of fiscal year
6 mos.—First six months of fiscal year
9 mos.—First nine months of fiscal year
Fiscal—Fiscal year
NEW—New report since last issue

Last 52 Weeks

General Field Footnotes
NA—Not available or not applicable
NC—Data required for calculation currently incomplete in our files
NE—Negative earnings invalidate calculations
NM—No meaningful figure
a—Under dividend amount, indicates a stock dividend
b—Indicates cash plus stock dividend when applied to dividend amount column

P/E Ratio—Price/earnings ratio
E.P.S.—Earnings per share

Market
N—New York Stock Exchange
A—American Stock Exchange
O—NASDAQ Over-the-Counter
M—NASDAQ National Market

*Two-week average volume equals the number of shares traded divided by the number of shares outstanding during the latest two-week period. Twelve-week average volume equals the number of shares traded divided by the number of shares outstanding over the previous 12 weeks.

All earnings data and all related calculations using earnings data use primary earnings from total operations and after taxes. Earnings are before extraordinary items, when such items are applicable.

Data and Table Provided by Media General Financial Services Inc., Richmond, Va. 23219

Edgy bankers, vendors cause problems in New England

(Continued from page 1)

"soft economic climate in New England."

"The backbone of the industry, high-tech and defense has done a swan dive, and new factories have gone elsewhere to get lower land costs and more affordable labor," said Sheldon Woolf, president of NHD Stores, based in Stoughton, Mass. NHD's sales in the first nine months rose 9.6 percent to $40.9 million, but the chain showed a $63,000 loss.

"There will be no improvement until the banks stop running scared," added Al Akon, manager of operations and general buyer of National Lumber, Newton Falls, Mass. "The banking industry got burned so badly [by] being too generous in the past, and now they're ultraconservative."

Outstanding real estate loans have contributed to the Bank of New England being put up for sale with a reported $1.5 billion in debt.

It's not just banks that have tightened their credit. Major suppliers are now edgy after East Coast Lumber, a New Hampshire independent, filed for bankruptcy in October.

"We've got double jeopardy here: Not only a bad economy, with the Massachusetts miracle going down the tubes, but legislators trying to raise the sales tax by two percent," lamented Doug Bohannon, general manager and vice president of Mid-Cape Home Centers.

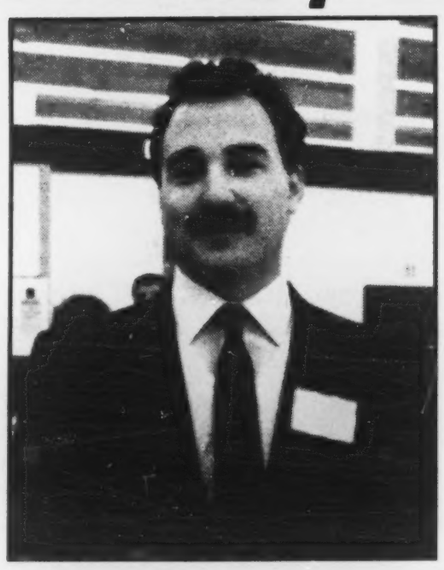
The original increase in the sales tax from five to seven percent was rejected. But dealers expect a one percent rise in the future.

"It will be another nail in the coffin of the border towns," said James Steenbeke, vice president, cfo of Steenbeke & Sons in Boscawen, N.H.

"Even at six percent, it makes a big difference and will take a big chunk of our margins," said Robert Richie, executive vp and chief operating officer at Eastern Lumber.

The single unit is situated in Amesbury, Mass., and conducts one-third of its business with New Hampshire residents who have the option of buying in their home state where there is no sales tax.

The sudden seizure of the economy has forced companies to trim the fat and adjust their operations. P. F. O'Connor, E. C. Hart, Hancock Lumber, and Mid-Cape Home Centers are typical of many dealers that have trimmed their labor force.



David Cohen, president of the New England chain, Somerville Lumber. NHCN photo

Ironically, other companies added outside salesmen to extend their territories. Hammond Lumber in Belgrade, Maine, has an extra salesman for the new area of Portland, Maine; Douglas Lumber in Smithtown, R.I., will double its outside sales force to four people in 1990.

Lloyd Home & Building Centers, in Danbury, Conn., recently downsized by closing four of its 17 stores in early December. Lloyd's Brewster Lumber units in Pawling and Yorktown, N.Y., were all deemed unprofitable, according to Cynthia Brighton, spokesperson for the chain.

Other companies have tapped new customers to revive sales. Sandwich Lumber in Sandwich, Mass., expanded its tool rental business. E. C. Hart in Maine has broadened its plumbing and electrical categories and is remodeling its second store to attract more retail customers.

Although consolidation is the main trend for 1990 there are some exceptions. Somerville Lumber will open a second store in the Manchester, N.H., market in 1990 and a new store in Salem, Mass.

Independent National Lumber is slated to open its 9,000-square-foot store in Mansfield Mass., this month, and Hammond Lumber expects its new Auburn, Maine, store to be ready by April.

Gerrity Building Centers, however, is still grappling with the state of Maine for permits to build a 15,000-square-foot retail showroom in Freeport, which it had slated to open in 1990.

Dealers are turning to increased service in their battle for market share, particularly in the light of the new price-sensitive competitors.

Somerville Lumber has the advantage of having its new centralized distribution system and inventory replenishment firmly in place before these new competitors arrive. This year, it beefed up its hardware selection and added an in-house delivery service for its appliance customers.

"Somerville Lumber's strength of business is in people and the awareness of performance built in the market place for many decades. We intend to capitalize on this," said David Cohen, president of Somerville Lumber. ◆

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Vol. 16, No. 1 January 8, 1990

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